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THE WEATHER

Forecast: Partly cloudy to fair.

	Yesterday's Humidity	Yesterday's Min-Max	Today's Max
Jerusalem	30	10-19	20
Golan	21	8-20	21
Nahariya	20	11-24	24
Safed	30	11-17	19
Haifa Port	40	14-20	20
Tiberias	41	12-26	27
Nazareth	38	13-24	25
Afula	28	8-25	26
Shomron	23	13-20	21
Tel Aviv	44	14-23	24
B-G Airport	27	11-23	25
Jericho	32	12-29	30
Gaza	63	14-23	24
Beerseba	29	13-24	24
Eilat	28	18-28	28
Tiran Straits	33	18-26	27

SOCIAL & PERSONAL

"Autopsy — A Dialogue on Contemporary Halacha" will be discussed this evening (in English) at the Hebrew University Forum, by Rabbi Theodore Friedman and Rabbi Mendel Lewittes. The meeting will be at 8 o'clock at the United Synagogue Centre, 2 Agran, Jerusalem.

ARRIVALS

For the board of governors' meeting of the Haifa University: from the U.S. — Mr. and Mrs. Louis Golden, Ms. Heidi Brachmann, Dr. Aryeh Neuber, David Perry, Nathan Ansell, Prof. and Mrs. Wilbur Cohen, Mr. and Mrs. Darwin Huxley, Kenneth Blalock, Mr. and Mrs. Loren Baritz, Chancellor Albert Bowker, Sol Seider, Sigmund Strohli, from Canada — J.C. Horvitz, from England — Lord and Lady Elsin, Prof. Max Beloff, and Prof. Sam Finer.

The San Francisco UJA Mission. (Communicated)

UJA missions from Pittsburgh, Canton/Milwaukee, North Shore, St. Louis, Memphis/Cincinnati. (Communicated)

Blumenthal to Rome

RIYADH (UPI). — U.S. Treasury Secretary Michael Blumenthal yesterday wound up a swing through key Middle East oil states and Israel and left for stays in Italy and West Germany.

Blumenthal left for Rome after talks with Saudi leaders aimed at reassuring the region's largest oil producer of the strength of the U.S. dollar and at heading off possible oil price hikes, diplomatic sources said. Blumenthal carried a similar message to Kuwait and Iran, the sources said.

HAGA (Civil Defence) exercises will be held today in the Kfar Malachi and Arad areas. In the event of a real emergency, rising-and-falling sirens will be sounded.

Chagall, Wilson get honorary degrees

REHOVOT. — Artist Marc Chagall and former British prime minister Harold Wilson were yesterday awarded honorary doctorates at the Weizmann Institute here.

Chagall, whose sparkling eyes, vibrant step and firm voice made it hard to believe that he is past 90, said he did not know why the Weizmann Institute had chosen to honour him. "All my life," he explained, "I just painted poor Jews looking for a place to live in peace. Now these poor Jews have finally come here and built this country with their own hands."

Sir Harold assured the audience at the ceremony — including President Ephraim Katzir and former prime minister Golda Meir — that "in this period of great strain and anxiety for Israel, you may rest assured that your friends in other countries will do all in their power to ensure that you enjoy peace and stability."

Also present at the colourful ceremony were British Ambassador John Mason, Agriculture Minister Ariel Sharon, former foreign minister Abba Eban, and a host of distinguished scientists including Nobel laureates Christian Anfinsen, Felix Bloch, Sir Ernst Chain and Andre Lwoff.

Begin presents new cabinet to President

Jerusalem Post Reporter

Ministers Yosef Burg and Yitzhak Moda'i were abroad and David Levy was stranded in the Jordan Valley with car trouble. But Prime Minister Menachem Begin nevertheless presented most of his expanded cabinet to President Ephraim Katzir at Beit Hanassi yesterday morning.

The new cabinet includes four ministers from the Democratic Movement for Change which recently joined the coalition.

Deputy Prime Minister Yigael Yadin noted at the ceremony that he was "pleased" that the DMC ministers were able to take part in the cabinet's decision that approved the new economic policy on Friday.

Labour chooses Ben-Natan to run for T.A. mayor

TEL AVIV (Him). — Asher Ben-Natan was unanimously chosen Labour's candidate for mayor of Tel Aviv in the upcoming elections by the council of the local Labour Party branch, yesterday.

The meeting was opened by Eliahu Speiser, secretary of the Tel Aviv branch, who expressed opposition to the government's new economic policy and said Labour's economists do not believe that the plan will attract new investors.

The meeting was attended by a delegation of Social-Democrats from West Germany. One of its members, Bundestag president Annemarie Renger, recommended the nomination of Ben-Natan, with whom she is acquainted from the time that he served as Israel's ambassador in Bonn.

Ehrlich again promises amnesty for tax evaders

By SELOMO MAOZ
Jerusalem Post Reporter

Finance Minister Simcha Ehrlich again told a group of newspaper reporters yesterday that he intends to prepare, within a reasonable time, an amnesty for income tax evaders.

At his Friday press conference, in which he announced the government's new economic policy, he mentioned that Israelis are estimated to hold illicit balances of \$5b. abroad. He did not elaborate or disclose the basis for his estimate, but economists in Jerusalem pointed out that most of these balances must represent black capital — the product of income-tax evasion.

Ehrlich said yesterday that "all we have promised before the elections, we shall implement."

The commissioner of state revenue, Moshe Neudorfer, told newsmen that capital movements in and out of Israel are not within the jurisdiction of his department — they are a matter for the new practically defunct foreign currency division — and that anyone ready to declare his capital will not be asked for its source. The tax authorities will only collect whatever taxes are due under law, he said.

According to earlier reports, the Treasury planned to give income-tax evaders a chance to come clean at the price of a 30 per cent tax on the black money. This compares with a top marginal tax of 50 per cent on incomes from IL12,800 per month up, which makes even medium-income earners pay an average tax of about 50 per cent. The amnesty, originally opposed by tax officials, including Neudorfer, was later accepted by the officials.

Economists in Jerusalem pointed out, however, that owners of illicit foreign bank balances will have no difficulty bringing in their money, if they so decide, without paying any tax or declaring it as black capital. Having been clever enough to smuggle it out, they will easily find ways to bring it in as legitimate foreign investments — probably also enjoying the investment grants and loans to which they would be entitled, they said.

A source told The Jerusalem Post that owners of black capital within Israel will also find little difficulty in getting around the amnesty. "They will now be able to buy freely and legally any amount of foreign currency (as the \$3,000 limit per person will mean little) and then repatriate it, if they find it worth while, as a legitimate foreign investment," the source said.

The controller of foreign currency, Dov Kantorowitz, also said yesterday that his division was not a police department and could not keep track of all movements of foreign currency.

Stock exchange reopens tomorrow

Jerusalem Post Reporter

TEL AVIV. — Investors wishing to buy stocks and bonds in foreign currency must now acquire the currency on the free market, the Tel Aviv Stock Exchange announced yesterday.

The exchange also announced that there would be no limits on price fluctuations on regular stocks and bonds when the exchange opens tomorrow. Ordinarily, stocks can fluctuate by only 5 per cent and bonds by 3 per cent.

However, investors who do not want to play a "no limits" game on the stock market can stipulate to the exchange that they do not want to buy or sell if the price rises or falls more than a certain percentage, or a certain number of points.

The exchange will open tomorrow after a two-day recess to allow buyers and sellers to readjust their orders following the introduction of the new economic measures.

IMPROVEMENT IN TRADE GAP

(Continued from page one)

recommends that aid for Israel in fiscal 1978 (which begins in October 1978) be \$1.5b., as in 1978. Of this, \$800m. would be economic, non-defence aid.

There are, however, expectations that President Carter may recommend an increase of the total aid package by \$200m., mainly because of domestic American political considerations.

Former finance minister Yehoshua Rabinowitz said yesterday in reply to questions that the improvement in the balance of payments now fully disclosed was clearly the result of his policies.

A senior Treasury official told The Post yesterday that the improvement in Israel's payments position, together with the new policy, gives hope that by 1980/81 Israel will no longer need civilian economic assistance from the U.S.

Treasury officials conceded that the balance-of-trade improvement this year will only be attributable, in part, to the new economic policy if the improvement significantly exceeds the \$700m. mark.

Some government economists, however, began to question whether the drastic devaluation had been necessary, given the progress already made — particularly since exports stand to benefit little, if at all, and the main beneficiaries will be owners of foreign currency and recipients of unrequited transfer payments.

Finance Minister Simcha Ehrlich said yesterday in reply to a question that he was glad to hear the news about the new data. But newsmen were sceptical about what Ehrlich really knew and what he chose not to reveal.

Public goes on shopping spree

(Continued from page one)

visited this supermarket's storerooms and checked inventories. After that workers removed the checked stocks which were then sold at the new prices.

Some merchants, however, just decided to take a day off and await developments. Here and there along Jerusalem's main shopping streets stores were shut and signs on the door read, "Closed for Inventory."

The secretary of the Jerusalem Merchants Association told The Post last night that as far as he knew clothing and shoe shops were selling merchandise at the old prices yesterday. Some electrical goods outlets, however, had added "about 10 per cent" to the price of imported goods, he said.

An Him reporter who toured the Old City found about half the Arab money exchange shops there shut. Even those that were open were not doing business, their operators claiming they had no foreign currency to sell. On Saturday, the rate for one dollar reportedly ranged from IL10.50 to IL11.50.

In Tel Aviv, the Chamber of Commerce asked merchants at mid-morning to halt the sale of imported goods to protect the Treasury's decision to tax existing stocks. The chamber said this was unfair as it penalizes merchants who paid for their goods with pounds which were worth more at the time of purchase.

Some small appliance stores heeded this call and closed down. But many merchants went on selling and realized handsome profits even at the old prices. One electrical appliance dealer in Ibn Gabirol said: "The prices charged now are not really the old prices, because all the discounts we previously granted almost automatically were cancelled. Besides," he added, "many shoppers who rushed out to the stores today really have no idea what the old prices were. They may end up paying much more than they would have last week because they are not shopping selectively and are not taking the time to do a little basic research."

A salesman in another store noted that the new economic measures came at the end of the month, "when people say they are strapped for cash. Yet each time there is a devaluation, people seem to have enough money to squander."

The various consumer

Young: Soviets may give A-bombs to black Africans

NEW YORK (Reuters). — Andrew Young, outspoken U.S. ambassador to the UN, believes the Soviet Union might be tempted to supply South Africa's neighbours with nuclear arms if the white-ruled state exploded a nuclear device of its own.

Speaking in a pre-taped television interview broadcast yesterday, Young said a South African nuclear blast would prompt a number of its neighbours to begin immediately to seek nuclear weapons from anywhere they could.

He said he thought "it's reasonable to assume that they could get nuclear weapons much more sophisticated than those that South Africa can build. And they wouldn't get them from us necessarily."

Asked if he meant that the Soviet Union would provide nuclear arms to such neighbours of South Africa as Mozambique and Angola, he replied: "I think they'd be awful tempted."

(Pretoria — Page 4)

RAPHAEL HARLEV yesterday assumed his duties as El Al's deputy manager in charge of operations. He was appointed Thursday by the company's board of directors. Tat-Aluf (res.) Harlev will be responsible for El Al's passenger service, maintenance and engineering.

Airlines selling tickets at IL15 to the \$

Jerusalem Post Staff

The airlines serving Israel decided yesterday to sell tickets at the rate of IL15 to the dollar, plus 12 per cent Value Added Tax, pending tomorrow's official announcement of the new exchange rate. Thereafter the prices will be in accord with the rate of exchange prevailing in the market.

The decision was made at a meeting of the airlines chaired by Yehuda Shimon, head of El Al's Israel branch. El Al had already been selling tickets at that rate since yesterday.

The airlines also announced that tickets bought up to last Friday at the old rates will be honoured, provided their holders leave by midnight tonight. Anyone set to depart later will have to make up the difference in Israeli pounds.

Meanwhile, the international airlines, El Al, and Israel's travel agents have demanded that the government cancel the Value Added Tax which has been imposed on airline tickets. There are so many ways of evading VAT that its imposition will only encourage Israelis to buy their tickets outside the country, according to Yosef Weiss, chairman of the Israel Travel Agents Association.

The decision to call for cancellation of the tax on airline tickets was taken at meetings of the travel agents and the IATA-member airlines serving Israel. Numerous people raised the point that Israelis will now either ask a friend or relative to buy the ticket abroad for them and send it here, or will fly to a nearby destination where they will purchase the ticket for their final destination. This will constitute a sizeable saving on long-distance trips.

Weiss noted that in European countries which have VAT, it has not been applied to international airline tickets — only to domestic flights.

Finance Minister Simcha Ehrlich said yesterday that although it is possible to fly to Cyprus and then purchase a ticket onwards, he believed most travellers would prefer to fly El Al because of the safety factor.

The minister added that he would try to find a way to plug the loopholes through which people can avoid paying VAT on their tickets. He was not yet certain quite how this could be done.

Despite the abolition of the old travel tax — which was a flat IL1,000 plus 15 per cent of the value of the ticket — the new floating exchange rate and imposition of VAT means the cost of airline tickets will rise considerably for Israelis.

On the new basis of IL15 to the dollar, a regular full-fare ticket to New York is up from IL 785 to IL20,000. The excursion will be IL14,490, compared to IL 690 before.

The round-trip fare to London is IL13,300, compared to IL10, the group fare is up from IL4,5 IL 5,590.

The return full fare to Paris IL12,500, compared to IL10 before, and the group fare is IL5,635 from IL4,165.

The immediate prospects that Israel will become a cheap country for foreign tourists — as an inflation does not catch up the devaluation, and can be below 20 per cent, according to Association chairman Yeha Talmor.

But prices for Israelis probably shoot up by some 30 per cent, and this is causing serious concern among hoteliers whose customers are mostly Israeli.

There has been a decline over past years in the number of Israelis on holiday within Israel. Increase in prices could have very serious results for smaller, three-, two- and one-hotels.

Tourists — beware of adjusted hotel bills

Jerusalem Post Staff

The Diplomat Hotel, rated at five stars, yesterday sent a letter to all its guests asking them to settle their outstanding accounts no later than nine o'clock this morning — otherwise they will be charged "according to the difference in the rate of exchange (40-50%) on the total outstanding amount" of their bill.

This means that the accounts of tourists could be jacked up by 40-50 per cent on the meals they had a week ago or the telephone calls they made two days ago at the old rates, which will remain unchanged.

Yehoshua Shapiro, manager of the Diplomat, confirmed the letter. But he said tourists paying in Israeli pounds would have had to pay a 28 per cent tax on their bills, and this has been abolished.

According to Yoram Belizovsky, assistant director-general for tourism in the Ministry of Industry, Commerce and Tourism, hotels have no right to charge their guests more on outstanding accounts. They may collect the account, if paid in Israeli pounds, at the old rates and no more.

Charges for expenditures quoted in Israeli pounds may not be raised for purposes of conversion into dollars. Thus meals, telephone calls, laundry charges, etc., if not originally quoted in dollars, will have to be calculated at the old rate of exchange.

Shapiro said the Diplomat was only following the guidelines of the Hotel Association.

The president of the association is Haim Schiff, owner of the Diplomat Hotel, and others.

Here and there Dollar to trade at over IL15

Jerusalem Post Staff

According to well-informed financial sources, when the banks open their doors for business today the price of the dollar will be IL15.30-IL15.50 for transactions of up to \$5,000. At noon, the representatives of the country's major banks will meet and will fix a price according to supply and demand.

The Bank of Israel announced that it has prepared large amounts of various foreign currencies in cash and is ready to supply the needs of the commercial banks.

Special information bureaux run by the Treasury started operating yesterday morning in Jerusalem to answer citizens' questions on foreign currency transactions, customs payments and other problems arising from the new economic policy. Telephone inquiries about foreign currency can be made on lines 02-68490 and 02-68241; and about customs, on 02-245513-7.

The chambers of commerce, which met in Tel Aviv yesterday, decided to set up an emergency "action committee" to decide how to avoid paying the levy imposed on stocks. They announced they would not file reports on stocks to the authorities, but only to their local chambers of commerce, awaiting further action. They are also considering an appeal to the Supreme Court for an order nisi calling on the government to show why they should submit inventory statements.

The Bank of Israel will today sell any amount of new government bonds, linked to 80 per cent of the index and carrying a 5.5 per cent net interest. The bonds being sold today are still based on the October consumer price index; those which will be sold from tomorrow will be linked to the November index.

The IL124b. current budget will be increased to IL133b, to reflect the changes resulting from the new economic policy. Government departments will have to absorb most of the domestic cost increases, but the rise in the price of imports will have to be taken into account.

The Ministry of Education has already announced that it will absorb higher costs. Education Minister Ze'evulun Hammer said that tuition fees, including the cost of school meals and the heating of pupils, will not be raised.

UJA chairman lauds reform

Jerusalem Post Correspondent

NEW YORK. — The head of America's primary Jewish fundraising body yesterday welcomed Israel's move towards a free economy as "a good, positive move."

UJA general chairman Leonard Strelitz looked forward to accelerated investment in Israel and to a possible increase in American aliyah as a result of the new climate of economic liberalization.

Strelitz assumed the leadership of the UJA in June. His reaction appeared to reflect a generally favourable response in the community to Jerusalem's change of economic direction.

"Americans, including American Jews, are a product of the free-enterprise system," said Strelitz in a telephone interview from his home in Norfolk, Virginia. "Therefore, when a country such as Israel changes from a socialist economic stance into a more democratic, free economy, they're sympathetic," he said.

With deep sorrow, we announce the passing of

ADOLF FELSENSTEIN ז"ל

The funeral will take place today, October 31, 1977, leaving Rambam Hospital, at 11.15 a.m., for the new cemetery, Kfar Samir. A bus will leave at 10.30 a.m. from 10 Smolenskin Street, Ahuva.

His Wife, Greet
His Sons and Families
His Sister

October 30, 1977.

In deep sorrow, we announce the death of my husband, our father, brother and uncle

ALTER NEUSTEIN ז"ל

(New York)

Joshua Neustein, Jerusalem
Fanny, Simon, Rachel and David Neustein, New York
and the Shitzer, Malrowitz and Feder Families, Israel

Rubin Academy of Music mourns the death after distressing illness of

EITAN SEVER
and his wife **YULIA SEVER**

The funeral will take place today, Monday, October 31, 1977, leaving at 12 noon from the Sanhedria Funeral Parlour, Jerusalem.

On the second yearzeit of his passing, we cherish the memory of my beloved husband, our father, father-in-law and grandfather

MAURITZ KURZ
(of Scheveningen, Holland)

19 Heshvan 5738 The Family

Friends and those who cherish the memory of

FANNI PICK

are invited to a memorial service on the 30th day after her passing, Tuesday, November 1, 1977, at 3 p.m. in the Kfar Samir New Cemetery, Haifa. We shall meet at the entrance.

The Family

With deep sorrow, we announce the death on October 28, 1977, of my dear husband, our father, brother and grandfather

MURRY LEWIS

The Bereaved Family

Shiva from today at Lewis, 20/18 Rehov Levin Epstein, Rehovot.

In deep sorrow, we announce the death of our dear

IDA AKKAN
nee Krissack

who has died after a long illness. The funeral will take place today, Monday October 31, 1977, leaving at 2 p.m. from the Municipal Funeral Parlour, 5 Rehov Dafna, Tel Aviv, for the Holon cemetery.

Mourners:
Beatrice and Sami Inselberg

The Tel Aviv Stock Exchange Ltd.

NOTICE

1. Trading on the Stock Exchange will be resumed on Tuesday, November 1, 1977.
2. The prices of securities traded on the Stock Exchange will not be subject to any restriction on Tuesday, November 1. Buyers and sellers are reminded that they may make their orders subject to price limits.
3. Debentures linked to the dollar and debentures traded in foreign currency will be dealt with at 12 noon on Tuesday, November 1. Buying and selling orders for these securities will be accepted until 11 a.m.

Tel Aviv October 31, 1977

כלא מן האכל

v economic policy efits Western olim

JUDY SIEGEL
Jerusalem Post Reporter

Immigrants' new economic policy is likely to have a effect on many potential the West, but they will w to aliya from the countries" (the Soviet the Arab countries, if immigrants arriving ridly goods are not com higher costs. the first assessment in Ministry circles yesterday economic experts athen sessiense with officials. They are ex- continue today and sorrow. is from the West who al Security pressure in benefit considerably her exchange rate, and o live more comfortably retirement in their coun- in. sources pointed out that i of control on foreign- counts will decrease ner- long potential olim about d bringing their ac- dollars along. (Under the vs. after 10 years in the sign currency brought on "som abroad had to be a closed account and

nblum Street — alive serving the tax dodger

Jerusalem Post Reporter

The black market in Street was quiet yesterday dead nor dying. the "brokers" on the a — about half the usual turn up and probably beach — think it would ar future, even though now buy and sell foreign ally in any bank. is in the basic function market. Most dealers o much money off the between the official and rates. Foreign tourists gits in authorized shops, got a substantial reduc- iderably more than the between the former of about IL10.40 and the k market rate of about

xists going abroad were \$700 legally at IL12 a most of them did not go to t saving a bit of money.

Black market has been sur- ingly by serving im- migrants and by facilitating foreign currency in and

n ends visit

Canadian External ister Donald Jamieson completed a five-day a met with Prime mahem Begin, Foreign she Dayan and Defence er Weizman during his has expressed interest more active in Middle moves, he said. weekend visit to northern litted the 200 Canadian s the Golan Heights and dian holy sites along the irect. From Israel, nt to Spain.

champions lose

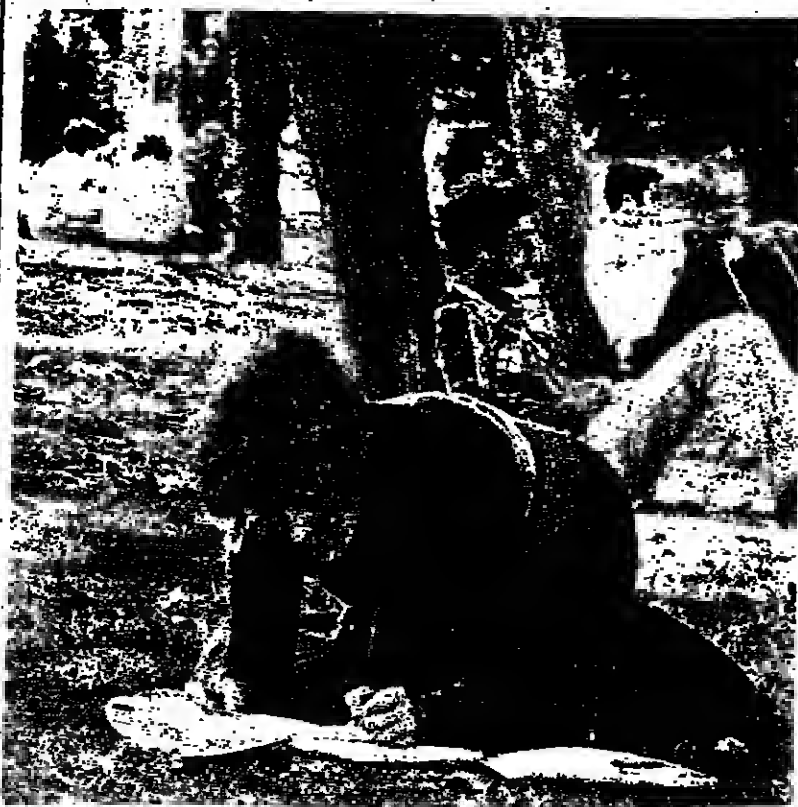
The "Rest of Israel" et league champions y 34 runs here on a the second annual tch for the local cricket Jerry Jacobs Trophy. ed by 73 from Pinhas s from Isaac Solomon, totalled 184 all out in d 33 overs. The hosts llimitted for 30 in 20 acezman Barry Kanpol 41 and spinner Mike for 10, as he cleaned up

withdrawn only in pounds.) In addition, foreign stocks can now be retained and do not have to be disposed of or deposited in a non-negotiable account on the immigrant's 10th anniversary of aliya.

Absorption Minister David Levy announced last night that, following an agreement with the Treasury's budget division, immigrants' "pocket money," initial loans and allowance granted during a study in ulpanim and participation in re-training courses will be raised starting today by 12 per cent.

Ministry Director-General Menahem Shorin told The Jerusalem Post that he will also demand increases in mortgages to olim to keep up with rising apartment prices. The ministry is also trying to ensure that immigrants will not have to pay the increased Value Added Tax on new flats all at once, but in a number of payments.

Absorption sources worry that the higher cost of living may deter potential olim and hope that increased unemployment — which often strikes olim first — will not compound the problem. Optimists add, however, that if the new economic policies result in a strong economic convalescence and recovery, the initial pains will be good for aliya in the long run.



One of the Hebrew University's 13,500 students gets down to planning her study schedule for the new academic year, which began yesterday. (Eilat Hadas)

IL130m. budget for TV and radio

Jerusalem Post Reporter

A three-year development budget of IL130m. was approved for the Broadcasting Authority yesterday by its board of directors. The budget — the largest ever — must also be approved by the government.

Authority director-general Yitzhak Livni noted that, in the past, development funds had been approved only one year at a time and never higher than IL10m. a year. The sharp rise is needed, he claimed, to replace obsolete and worn equip-

ment at TV House and Israel Radio — which "are operating with less than the minimum necessary."

Yaron London's "Alai Koteret" (Behind the Headlines) programme was criticised again at the board meeting, this time for his interview with former Foreign Ministry director-general Shlomo Avineri. Board members Eli Taviv and Ariel Weinstein charged it was tendentious and politically motivated. Livni countered that all viewpoints are heard on TV in the course of time.

Hadassah doors fixed for Kohanim

Jerusalem Post Reporter

The half-year breakdown in twin doors that separate the pathology department from the hospital in Jerusalem's Hadassah Medical Center has been repaired, thus allowing Jews of the priestly tribe to visit or undergo treatment.

Observant kohanim have refrained from entering the Ein Karem hospital since learning that the breakdown created air contact

between the two parts of the medical centre. According to Jewish law, Jewish men of the priestly tribe may not enter a cemetery or a building that contains dead bodies (unless the dead are the kohanim's very close relatives). The prohibition is meant to prevent the defilement of priestly purity.

The complicated door system has finally been repaired by the contractor who invented it — reportedly the only person in the country who can fix such a breakdown — for a fee of IL30,000.

Hadassah officials yesterday expressed their regret over the inconvenience and suffering to kohanim, and announced that a new and simpler system is soon to be installed in the Hadassah complex on Mt. Scopus. If it operates smoothly, the same mechanism will be brought to Ein Karem as well.

Mideast symposium

TEL AVIV (Itim). — Scholars, politicians and public figures from the U.S. and several European countries will be attending an international symposium on the Middle East, organized by "New Outlook" magazine, at the Pal Hotel here next month.

The organizers of the symposium, to take place between November 16 and 22, announced yesterday that among those attending will be George Ball, assistant to former U.S. secretary of state Henry Kissinger; Lord Cresson, former British ambassador to the UN and author of Security Council Resolution 242; former French prime minister Pierre Mendès-France; and a number of U.S. scholars of Arab extraction, including Prof. Eliahu Tadmor of the University of California and Prof. Muhammad Mahdi of Berkeley.

Nahal offers new immigrants easier introduction to army

By JOSHUA BRILLIANT
Jerusalem Post Reporter

TEL AVIV. — Nahal (the army's farmer-soldier corps) is carrying out a recruitment campaign among the country's 130,000 temporary residents, the commander of the corps, Aluf-Mishne Ra'anan Sharir, told military reporters here yesterday.

An officer has been making the rounds of the universities and kibbutz ulpanim and has already induced about 50 young temporary residents to change their status to permanent resident and to join Nahal, Sharir said. (Temporary residents enjoy all the rights of new immigrants who opt for citizenship, but they may not serve in the police or armed force.)

New olim who join Nahal are sent to basic training a month before regular recruits. This gives the army more time to ease their way into military life, Sharir said. He explained that olim find it harder to adjust to the army than native-born Israeli youth, since many of them have a glorified image of the IDF fostered in the Diaspora by films of

parades and tales of derring-do. During the first month of "pre-basic training" the recruits are instructed in the use of weapons and attend Hebrew classes four hours a day.

The system has proved itself, Sharir said, and the percentage of dropouts has declined. The new immigrants generally form separate garinsim (nucleus settlement groups) so that their units are more homogeneous — always an advantage.

Nahal units are among these deployed for guarding along the Lebanese border and the Jordan and Beit She'an Valleys, Sharir said.

Since its establishment in 1948, Nahal has built 74 settlements and rebuilt 10 others. Former Nahal soldiers have established 34 settlements. A new settlement, Sa'it, will be inaugurated by the end of the month near Kafr Kassim, Sharir said.

Nahal soldiers (except new immigrants) must sign up for four additional months' service without pay in kibbutzim.

9% decline in marriages in 1976; divorces up 9%

By AARON SITTNER
Jerusalem Post Reporter

Fewer Israelis are getting married, and the average family size last year was 3.7 persons, compared with 3.9 less than a dozen years ago.

These are two of the many trends noted in the latest "Statistical Abstract" prepared by the Central Bureau of Statistics and released yesterday.

It reports that 29,500 marriages were performed here last year, compared with 32,000 in 1975 — a drop of 8 per cent. In contrast, the number of divorces granted in 1976 — 2,857 divorces — was 8 per cent higher than the previous year's 2,651. As for population, there were 3,575,000 people here at the end of last year. Of these, 3,320,000 were Jews. The greatest single national grouping was of North African origin — 425,000. Polish-origin Jews were second with 345,000, followed by ex-Rumanians with 290,000.

Average family size varied with location. In Tel Aviv and Haifa, the average was below three persons; in Jerusalem it was 3.7, the national average. In Jewish moshavim, the typical size of a family in 1976 stood at 4.7; in non-Jewish communities, regardless of type (village, encampment, town), the figure was 3.4.

Offering some forecasts for 1977 year-end findings, government statistician Meche Sieron told reporters in Jerusalem yesterday

"we will probably show a net population increase of 75,000 for the year. But this will be due solely to natural increase, not aliya. In fact, the immigration-emigration ratio is also steady — some 20,000 newcomers and 15,000 Israelis leaving during 1977."

He also reported no growth in the Gross National Product. However, there has definitely been an improvement in the balance of payments. Sieron estimated that a boost of \$700m. in exports this year will narrow the payments balance gap to \$2,600m. from last year's \$3,300m.

This year's figure for exports of goods and services will probably end up at \$3,500m., he believed. Last year it was \$4,400m. and in 1975, \$3,800m.

But building starts, one of the main indicators of economic growth, herald bad news. The bureau expects a 20 per cent drop for 1977 compared with 1976; construction of about 22,000 flats will have begun this year as against 60,000 as recently as three years ago.

New Lod highway still out of bounds

Drivers who are tempted to try out the new, yet officially opened highway which bypasses the Latrun stretch of the Jerusalem-Tel Aviv road are warned that they face prosecution if they do.

100 THIS WEEK

Lotto Draw 44/77
Minimum first prize fund
IL500,000

accumulating up to
IL1,000,000

Today is the last day
for heading in Lotto entries.

Yadin to convene Social Betterment C'ttee this week

Jerusalem Post Reporter

The Cabinet yesterday set up the new Committee of Ministers on Social Betterment, appointing Deputy Premier Yigael Yadin as its chairman. Yadin at once announced that he would convene his committee this week.

The other members of the committee are Finance Minister Simha Ehrlich, Construction and Housing Minister Gideon Patt, Health Minister Eliezer Shostak, Religious Affairs Minister Aharon Abunhatzra, Education Minister Zevulun Hammer, Labour and Social Betterment Minister Israel Katz, Interior Minister Yosef Burg, and Absorption Minister David Levy.

The Cabinet also coopted the four new DMC ministers to the various ministerial committees. It appointed Eliezer Shmueli as director-general of the Education Ministry. Shmueli, 49, has been acting director-general for the past year. He replaces Elad Peled, who went to the U.S. to study.

EL AL

(Continued from page one)

claim that under the present system they are called on to work Sabbath shifts too frequently.

But a member of the works committee hotly denied that yesterday's delays had anything to do with their labour dispute, which is to be investigated by a team appointed by the Technion in Haifa. He told them that the delays were the result of ever-extension of the company's aircraft. "It is simply not possible to continue flying them without carrying out certain repairs once and for all," he said. A spokesman for EL AL also denied last night that the delays were the result of industrial action.

Sceptics, however, believe that as the Technion committee has not yet been able to start its study, the technicians have decided to take job action without admitting it.

Among the flights delayed yesterday were the 11 a.m. to New York, which took off at 7.30 last night; the noon flight to Paris and New York, which was not expected to leave before midnight; and the 10 a.m. flight to Frankfurt, which was only expected to leave by 10 p.m.

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Pretoria troops, Swapo in heavy border clash

PRETORIA (AP). — Sixty-one black nationalist insurgents and five white South African soldiers were killed in a battle across the border between Angola and South West Africa (Namibia), South African defense headquarters announced late Saturday.

The casualties are a record in the relatively low-key bush war being fought between South African troops and insurgents from the UN-recognized South West African People's Organisation (Swapo) in the disputed territory.

South Africa has administered it for the past 31 years — 12 of them in defiance of UN resolutions.

News of the battle came as Foreign Minister R.F. "Pik" Botha hinted heavily that South Africa might pull out of South West African independence negotiations with the West if this country is declared a threat to international peace at this week's UN debate to enforce an arms embargo.

The military communiqué said the fighting began last Thursday afternoon when a South African patrol clashed with an 80-member Swapo force just south of the bush clearing on the South African side of the border.

The fighting, with casualties mounting, moved backwards and forwards across the border until Saturday morning, with South African reinforcements drawing fire from Swapo bases inside Angola, according to the communiqué.

It referred to the skirmish with the "most northern Swapo base" ending on Saturday morning. But it did not say how far South African forces penetrated into Angola.

The communiqué said after the initial skirmish in which men on both sides were killed, the commander of the South African patrol "had no other choice but to attack the terrorists."

It said the Defence Department will ask that South Africa lodge an official complaint against the border violation, "which is one of a series of similar violations in the same area during the past four months."

The communiqué did not say where in the 1,380-km. border the clash took place. The border includes 450 kms. of the narrow South African-controlled Caprivi strip where, at its eastern point, the borders of South West Africa, Botswana, Rhodesia and Zambia meet.

Rhodesian talks commencing

(Continued from page one)

likely to be difficult to overcome, and it seems certain that Lord Carver and Gen. Chund will find it hard to negotiate with men whose mutual suspicion equals their shared worry about the Anglo-American package.

The Anglo-American peace plan calls for Smith to surrender power to Lord Carver. The field marshal could then run Rhodesia during a six-month transition to one-man, one-vote elections for the leadership of the new Zimbabwe.

But the Patriotic Front is united in objecting to the presence of UN troops — foreseen in the Western package as providing Lord Carver with support — and wants its own guerrilla forces to police the transition to black majority rule.

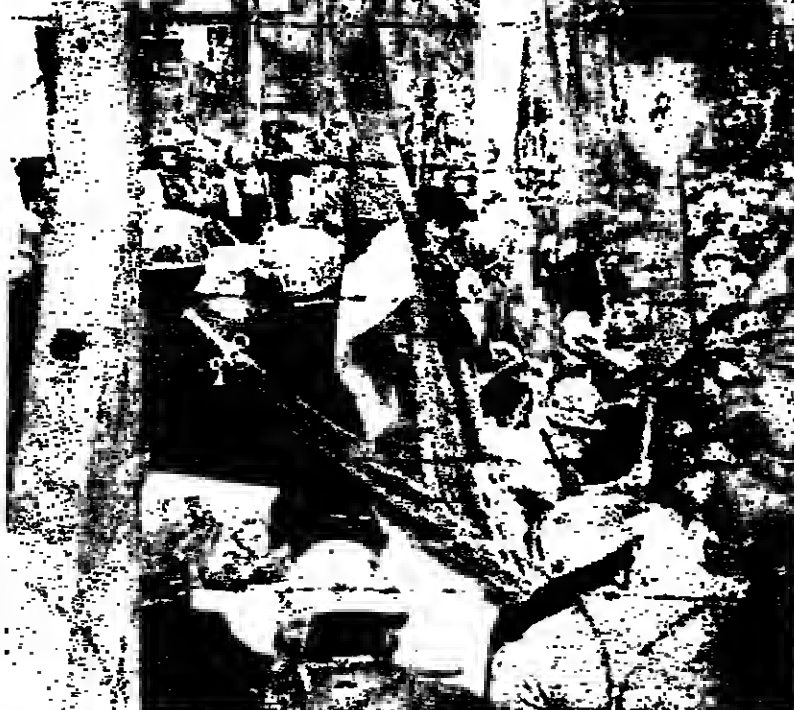
Smith objects strongly to this idea,

and has stressed his determination to retain his own, white-led forces as a prerequisite for a settlement that would conform to his aspirations for Rhodesia's future.

The Rhodesian leader favours an internal settlement with what he considers moderate black leaders, bringing in Patriotic Front forces only under the command of his own generals. This is rejected by the Front.

There are growing indications here that the exiled nationalists, with some support from the "front line" states — Zambia, Tanzania, Mozambique, Botswana and Angola — who are their main sponsors, want to scrap Anglo-American provisions for pre-independence elections.

Officials here said elections could be postponed until after independence — a major departure from the Anglo-American package.



Anti-militarism demonstrators gather behind barbed wire fence of a Japanese army training camp near Tokyo yesterday. They were protesting a parade held to mark the 23rd anniversary of the founding of the Japanese Self-Defence Force.

(UPI telephoto)

Family of Dutch tycoon appeals to kidnappers

AMSTERDAM. — The family of kidnapped Dutch property tycoon Maurits Caransa appealed yesterday to his abductors to make contact with them. More threatening telephone calls were received yesterday about the 61-year-old multi-millionaire, but police said they could not confirm their authenticity.

The family's statement, issued through the Dutch news agency ANP, said that "none of the reports which have come in up to now give the impression that they (the messages) are serious and really come from the kidnappers."

"The Caransa family appeal urgently to the kidnappers, or to those who are responsible in any way at all for the kidnapping, to make genuine contact," the statement said. Caransa was grabbed by four or five persons after leaving an Amsterdam nightclub early Friday morning.

The calls were received by the Amsterdam mass-circulation newspaper "De Telegraaf." An editor said several were from persons using broken German who claimed to represent the German-

based terrorist Red Army faction. They demanded the release of Knut Folkerts, a 25-year-old German terrorist held in Holland since a September 23 shootout in the city of Utrecht in which a policeman was killed.

One caller spoke Dutch with a heavy Moluccan accent and described himself as a spokesman for three terrorist groups — the Red Army Faction, the "Palestine Liberation Front" and what he called the South Moluccan Suicide Commando. The latter was the first public reference to any suicide squad in the Moluccan community whose militant youth has staged two train hijacks and other acts of terrorism in the Netherlands in the last two years.

The caller demanded the release from jail of Folkerts, more than 20 Moluccan terrorists now held in Dutch prisons, and Japanese terrorist Kozo Okamoto who is serving a life term in Israel for the 1972 massacre at Ben-Gurion Airport in which 26 persons were killed.

The editor said Caransa would be killed unless the terms were met. (AP, Reuters)

Historian says he found Hitler's son

LONDON (UPI). — A German historian has found the son of Adolf Hitler, alive but none too well and living in northern France, "The Sunday Times" newspaper said yesterday.

It said Dr. Werner Maser, 55, who "made his name by research into the Nazi period," has known for 12 years that Hitler had a son, despite the widespread belief that Germany's wartime leader was impotent.

Two years ago, Maser located the son, named Jean Lorent, living near the French-German border. He said Lorent is married,

the father of nine children and is "desperately ill and does not expect to live much longer."

The newspaper said Lorent "is now ready to tell the world about his parentage," not to make money but to let the world "know that Hitler was not impotent."

It said Hitler "is supposed to have met the mother in 1918 while serving in the first world war." The boy was given his mother's name and brought up by his grandparents.

"Evidence to support his claim comes from several sources," "The Sunday Times" said.

Singapore holds hijackers, releases plane

SINGAPORE (AP). — Four armed Vietnamese who killed two crewmen aboard a Vietnamese airliner and forced it to land in Singapore were being interrogated by police yesterday, the Home Affairs Ministry said.

The Vietnamese DC-3 meanwhile flew back to Saigon yesterday morning with 31 passengers, three crew members and the two dead bodies. It left behind the hijackers, one injured crewman and one passenger who refused to go back, the ministry said.

The ministry gave no details about the motives of the hijackers who had surrendered on landing, or about their identities, except that all were males.

The Singapore government said they would "be dealt with in accordance with international law and conventions governing such matters."

Observers said that if the hijackers' intention merely was to seek political asylum, they had complicated their case by killing the radio operator and flight engineer and seriously wounding a steward.

The government said the steward

was in a hospital, unconscious. The pilot, Nguyen Van La, who gave a brief news conference early yesterday before leaving, said some of the passengers had been sympathetic towards the hijackers.

Reporters at Seletar air base, where the plane landed, were not allowed to interview the passengers before their return.

The Singapore government said the passenger who refused to return was a 26-year-old bachelor who had no place to go. "He was not pressed to leave, and inquiries will be made to ascertain where he wants to go," the Home Affairs Ministry said.

The Vietnamese pilot told reporters he heard shots 15 minutes after take-off Saturday morning from Saigon for Vietnam's Phuquoc Island. "I looked around and saw the flight mechanic and the radio operator lying on the floor," he said.

"They were not quite dead, but the hijackers finished them off by stabbing them with long knives."

The plane then flew to Utapao, Thailand. The Thai provided food, water and fuel, but made the plane leave Utapao two hours later; a Thai

WORLD SCENE

Go-ahead for neutron bomb — another headache for Carter

THE CARTER ADMINISTRATION is struggling with numerous policy problems and the list seems never-ending. At home there is the enervating energy problem and what to do about it because of increased U.S. dependence on imported (especially Arab) fuel.

Abroad, there is the new Panama Canal treaty designed to relinquish rights to Panama and how to overcome home opposition to it; trying to put through the second phase of the Strategic Arms Limitation Treaty with the Soviets; the gnawing Middle East problem; what to do about closer relations with China; the sharpening fight with Rhodesia and South Africa.

As if this is not enough, Washington officials are faced with an issue causing much uneasiness within the ranks of their European allies: what to do about the enhanced radiation weapon now known as the "neutron bomb."

The U.S. must decide whether to go ahead and produce it. The weapon actually is not a bomb but a warhead, a small hydrogen device designed to kill enemy troops within a restricted radius of about 200 metres while causing little physical and structural damage. It releases fast neutrons against which there is no known defence. It kills instantly at short range and slowly and painfully at a longer distance, but leaves little long-term radioactivity.

It is claimed that tanks would need a 30-cm. sheath of lead, or double that of concrete-plus-iron, to protect its occupants against neutrons.

NATO military officials are for the weapon but are nervous about the political repercussions if they opt for it. Voices are being raised that it is an "inhuman" weapon and that it is likely to bring nuclear war nearer.

WITH GROWING doubts being expressed publicly, NATO officials point out that the Atlantic alliance has for years deployed nuclear weapons.

Of the 7,000 stored by the U.S. in Europe (as against 3,500 by the Soviets in Eastern Europe), 3,000 are located in West Germany. These weapons are held in sealed vaults behind their concrete walls and are guarded by both American and German troops.

Since 1968, the West Germans have a seat in the nuclear planning group of the alliance and so have a say in the deployment of nuclear weapons on their territory. However, the decision to release the nuclear warheads rests with the American president.

Public opposition to the neutron bomb in the U.S. has resulted in three demonstrations against the weapon,

all at Carter's church in Washington. He was presiding the third one, two weeks ago, and the presidential was reported to have sat there in shocked silence.

Carter is sensitive to any public outcry, even such a subject as this is not exclusively an American issue. The neutron bomb has no strategic use for it and is designed for such a region as Europe, while having the final say on the subject.

The Russians have made capital out of all this, the bomb a "diabolical toy" and a "capitalist" because it kills people but spares property. A neutron bomb has been around for some time, tested by the U.S. before 1963, and the Russians doubtless have it and could deploy it in Europe.

IN THIS CONNECTION it is of interest to note that the Chinese have got into the neutron act. Chu Hua Kuo-feng recently briefed officials in Peking arms and the possibility of a third world war.

"The U.S. has made successful experiment their neutron bombs and has put them into production. We have actively collected material for this was necessary we are prepared to make further progress."

The argument continues about the bomb's effectiveness in being a further deterrent on the U.S. Would the bomb make the Germans happier a NATO strategy which considers fighting a tactical on their soil? And would such a "safe" weapon be easier to initiate the use of nuclear weapons?

More than 20 years ago, NATO held manoeuvres which a couple of hundred atomic bombs were set to be dropped on West Germany by the allies to imaginary Soviet onslaught. NATO planners then ed out that West German dead in this operation totalled nearly a million, with another three million wounded. German interest in the deployment any new weapon is therefore understandable.

Many Germans see little difference to the tollman civilians even if neutron bombs replace the stockpile of nuclear weapons held on both sides Iron Curtain; and a lot of Europeans feel any new weapon is merely a marginal tactical improvement.

Carter was due to make up his mind about the bomb this month, but the continued doubts of his peace allies have left the matter in abeyance and is likely to be done about it for several more

Spanish police end jail riot

MADRID (UPI). — Spanish police firing smoke bombs and rubber bullets yesterday put down a new prison riot by convicted common criminals who want to be amnestied.

The uprising at this Barcelona provincial jail left "a large number" of persons injured and at least one cell block gutted by fire, the national agency said. It said four inmates and two policemen sustained serious injuries.

Police needed eight hours to restore order after the disturbance by several hundred prisoners began Saturday evening at the end of a movie showing.

Organized groups of common prisoners are demanding the same kind of amnesty that has freed thousands of political prisoners since dictator Francisco Franco died two years ago.

Unrest in Spain's correctional system has been rare since last spring and peaked in July with a prison revolt that affected dozens of prisons nationwide. The centre of that rebellion was in the Madrid provincial jail, where police using dynamite regained control after four days of rioting and destruction.

Wave of executions said sweeping China

LONDON (AP). — A wave of executions is sweeping China in a great purge following the coming to power of Chairman Hua Kuo-feng, according to Nigel Wade, Peking correspondent of the London "Sunday Telegraph."

Wade said in yesterday's early editions that available evidence leaves "little doubt that the overall total of executions throughout China this year must be well into the thousands. It is becoming almost commonplace for foreign travellers to see execution notices in cities and towns."

He said that in the latest known case, "scores of people, including women, have been executed in the province of Yunnan."

Wade quoted unnamed senior Chinese officials in Hefei, Anhui province, northeast China, speaking openly about a sharp increase in the

rate of executions in the province since Chairman Hua came to power 18 months ago. They said criminals and "bad elements" were once protected by the "Gang of Four" led by Mao Tse-tung's widow, been put to death.

He reported five execution taking place in Peking, totalling 100 names, with photographs of prisoners paraded in front of rallies with placards reading: "Execution of the criminals."

BLAST. — Two persons were killed and 11 injured in an explosion at a large oil refinery in a western Iran, the state-owned news agency reported yesterday.

According to a statement in the National Iranian Oil Co. the explosion occurred at 29:30 last night.

'Unskilled' millionaires need not apply in New Zealand

AUCKLAND (Reuters). — New Zealand Immigration Minister Frank Gill has told a Belgian millionaire he cannot buy his way into the country and must leave because he lacks the skills required of an immigrant.

Gill, confirming that he had told Victor Warquier to leave, said "this man does not fit into our policy in any way whatsoever." New Zealand's immigration policy provided for people with certain skills which Mr. Warquier did not have, he added.

Warquier, 48, who arrived by yacht, has been given until March to leave so as to avoid the hurricane season but has said he intends to settle his affairs and sail in three weeks.

Warquier arrived here last October in his 22-metre yacht with 30-year-old Parisian companion Frise Polier.

The couple were granted one year visitor's permits but were so impressed by New Zealand they filed an application in March to settle permanently, built a house and invested some \$60,000 in a timber company.

Gill said Warquier's claim that he was worth three million dollars had

no bearing on the case. A spokesman for the minister said there were difficult questions about Warquier's unskilled status, age and the fact that his wife, "millionaire," was the current list of occupations in New Zealand.

Miss Polier said the \$6 millionaire had no skill qualifications, but said he owned a mine near Mons, France and West Germany's insurance interests.

"The fact that we had money needed to look after our just did not seem to count," at Warquier said he had later put most of his money in New Zealand but now was going to possessions hers and \$1 November 13.

"The immigration minister that he had thousands of people hundreds of thousands of wanting to come to New Zealand as far as he was concerned, it would not need our money. It would need New Zealand economic problems?" he ask

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Royal, Nelson, Noblesse Filter	5.—
Ascot, Dubek Filter, Eden, Polaris, Montblanc	4.—
Dubek 10	2.90
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October 30, 1977

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Derek Masada, Stage C

Registration has opened for the above scheme, under which 96 plots will be allocated for single-family houses in Beersheba. Registration will open at 9 a.m. on Sunday, November 20, 1977, at Beersheba City Hall, and will continue during normal office hours until December 15, 1977. Additional details and a detailed prospectus will be available from November 20 at Beersheba City Hall, and the Southern Region offices of the Israel Lands Administration, 55 Rehov Ha'atzma'ut, Beersheba, during normal working hours.

THE ISRAEL REINSURANCE COMPANY LTD.

CONDENSED FINANCIAL STATEMENT AS AT JUNE 30, 1977

(IL thousands)			
Condensed Balance Sheet			
30.6.76		30.6.76	
13,028	Debentures: Government	22,435	Capital, Reserves and Surplus
100	Others	5,828	Reserves for extraordinary Risks
24,051	Loans with Bank Guarantee	563	Life Reinsurance Fund
4,190	Real Estate	24,833	Reserve for unexpired Risk in General Reinsurance
1,771	Fixed Assets	30,050	Claims Pending
66,064	Insurance Cos. (Current and Deposit Acc.)	41,716	Insurance Cos. (Current and Deposit Acc.)
456	Other Debtors	2,340	Other Creditors
11,300	Cash and Deposits with Banks	25,627	
120,945		191,175	191,175

Condensed Statement of Life and General Reinsurance Business

105,253	Premium Written (gross)
50,719	Premium Earned (nett)
666	Interest Credited
732	Interest (Life Reins.)
37,141	Claims (nett)
1,925	Allocation to Reserve for extraordinary Risks
17,536	Commission and Expenses (nett)
4,543	Underwriting Loss

Notes: Detailed and complete Financial Statement with notes of the Company's management including auditors' report will be available on request from the Company's office, P.O.B. 11589, Tel Aviv.

The above publication is made in accordance with the Insurance Business Superintendence Law — 1951.

Condensed Statement of Profit and Loss and Appropriation of Profits

1,938	Underwriting Loss
400	Investments Income
1,119	Expenses and Write Off of Property to nominal value
417	Profit before taxation
	Provision for taxation
	Net Profit
	Unappropriated Profit at the beginning of the year

Profit available for appropriation 5,619
Transfer to General Reserve 1,500
Appropriation for Bonus Share Distribution (20%) 2,198
Interim and Proposed Dividend for payment 14 % 1,195
Unappropriated balance of profit 525

כלכלה מן האל

An aged couple's farewell

By YA'ACOV ARDON / Jerusalem Post Reporter

THE tourists who disembarked from a boat in Haifa on Friday, September 30, during Succot, were a Jewish couple, Eli Garson, 67, a Canadian-born Jew, and his wife Mary, London-born, Jewish, and his wife Mary, London-born, Jewish. They are childless and have no relatives here. They came from Sao Paulo, Brazil, via Portugal and Greece. Their passports were checked and found to be in order. They did not return tickets, as tourists generally do. Their bundles and parcels suggested that the Garsons were not well off. They came from Sao Paulo, Brazil, via Portugal and Greece. Their passports were checked and found to be in order. They did not return tickets, as tourists generally do. Their bundles and parcels suggested that the Garsons were not well off. They came from Sao Paulo, Brazil, via Portugal and Greece. Their passports were checked and found to be in order. They did not return tickets, as tourists generally do. Their bundles and parcels suggested that the Garsons were not well off.

a hit-and-run driver and was hospitalized for months. He lost his job and became a welfare case. Then the couple, who had been married for 25 years, decided to leave. At that stage we thought of going to Israel. Apparently Garson counted on receiving welfare here and making his money here. We would have had enough to leave again. When a Welfare Ministry official told him that tourists do not qualify for help, Garson pleaded, "but we are Jewish, too." Jewish, yes, but technically foreigners, and it is regulations, not sentiment, that bind officials. The Tourist Ministry and Haifa City officials referred the Garsons to the American Consulate in Tel Aviv. They went there to ask for repatriation as a distress case.

Because of his wife's British nationality, says Garson, they could not be repatriated out of public funds. A kindly official lent them \$100. The Ministry of the Interior, he was told, would not expel them at its cost because it has no reason to: "If I had committed a crime, I'd get expelled at public expense," says Garson. He has a clean record, he says, and holds a Brazilian certificate to that effect.

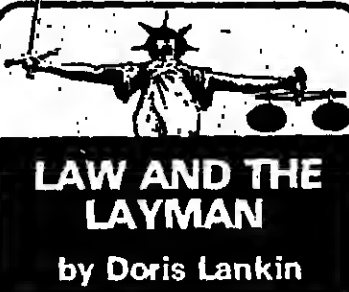
To the tourism officials he related that the accident had left him ailing, and he needed medical treatment. On their request, a team of doctors at Rambam Hospital examined him free of charge. They recommended shots, but I'm afraid to take them," he says. A woman in Haifa (a government official with a small salary) took the couple in for several days and then so did a hospitable woman in Tel Aviv. Another couple in Jerusalem offered temporary shelter.

MEANWHILE, the Garsons survive on charity. The Haifa Tourist Corporation director gave them IL200. All other donations have been private ones from readers of The Post. The Haifa newspaper reporters ignored the couple. "It's not an interesting story," one said. But contributions have come from across the country, totalling about IL3,500, not enough to take the Garsons back to the U.S.

"If it weren't for my wife, I'd have ended my life," he says. In reply to an expression of sympathy about her husband being pursued by bad luck, Mary Garson replied, "We've been married 25 years. He's been a good man and I have no complaints against him." She blames their misfortune on his traffic accident. "I'm realize now that Israel is not what they expected. I'm too old to work. We can't stay. We'll leave the same way we came. We'll go to the nearest country with a Jewish community and ask for help to go on to the next."

And so they did. The Garsons left by boat, as deck passengers, for Cyprus on Friday. "We want to thank the few people who were kind and generous to us. We have never done any harm to anyone. We've had bad luck. We are not coming back here ever and won't bother anyone here again."

Estate duty



LAW AND THE LAYMAN

by Doris Lankin

sum of IL50,000, expenses incurred in connection with the funeral and burial of the deceased, including a *kefise* (but not including maintenance payable out of the estate); and expenses incurred in connection with the management of the estate.

In addition, there are personal deductions of IL100,000 for a spouse, or a person known to the public as a

spouse (as long as neither the deceased nor the spouse was legally married to someone else); IL50,000 for each child under the age of 22, or for any child of the deceased who by reason of a physical or mental defect is unable to support himself; IL50,000 for each child over the age of 22; IL50,000 for each of the dependent parents of the deceased; and IL50,000 for the parents (or children) of a deceased who had no

The personal deductions are available only where the respective survivor is also an heir. So that where there is a will and the spouse is disinherited, the personal deductions of IL100,000 will not be allowed, or if the children are disinherited, then the personal deductions for them will not be allowed. On the other hand, if the spouse and children are given bequests, then deductions from the estate for purposes of estate duty, cannot exceed the amount of the bequests. So if any reader is contemplating an attempt to outwit the tax authorities by leaving most of his property to his wife and nominal sum to his children, he will be forewarned that it will not work, as the legislature has foreseen this device.

THE ESTATE Duty Law provides also for a deduction from the value of the estate in respect of the apartment in which the deceased was living at the time of his death with members of his family. This deduction and the method of calculating the value of the apartment, are both so liberal that they will almost certainly cancel each other out. In fact the only apartments that could comprise a substantial item in calculating the value of a deceased's estate would be those owned and occupied solely by the deceased.

Where a deceased leaves property (which, by definition, includes movable or immovable property, or money, shares or securities) to the State, or to a public or charitable institution, then as long as its value does not exceed 50 per cent of the value of the whole of the deceased's estate, no estate duty will be payable on such property.

Furniture and household effects willed by the deceased to his spouse or children are not taxable. But collections, paintings and objects d'art are only partly exempted from estate duty (up to the value of IL75,000) — provided, that is, that the heirs do not sell them within five years of the deceased's death. If, however, these collections, paintings and objects d'art are donated by the heirs to a public institution, then they will be duty free.

On the other hand, any excessive gifts which the deceased made within a period of five years prior to his death will be regarded as part of his estate and therefore taxable, unless the gift was a not-excessive wedding present to a child or a donation in money or in kind to a charitable or public institution. The interpretation of "excessive" would depend on the deceased's circumstances.

(To be continued)

All Emergency First Aid Services are available round-the-clock at all Magen David Adom stations in Israel. Direction signs show the red Star of David on a white background.



To Tour the Central Blood Bank in Jaffa or visit Magen David Adom installations, phone MDA Headquarters, Tel Aviv at (03) 36222 between 8.30 a.m. and 1.00 p.m. Visitors are welcome

Making of 'Mrs. Tito'



Yugoslav President Tito and his wife Jovanka Broz dancing in 1973 at a New Year's party. (AP wirephoto)

nature take its course."

Unbeknown to Tito, the secret police chief's plan was carried out. Jovanka Budisavljevic, a beautiful black-haired young woman with a winning smile, was one of those placed around Tito. She was in charge of his wardrobe.

It is not known whether Tito to this day has ever learned about the little play of his associates.

JOVANKA, who was 21 at the time, had all the required assets, including peasant background, natural charm and wit, unwavering loyalty to the Communist cause and a three-year service in Tito's partisan army. "We were afraid at the time that Tito might fall for one of the (Belgrade) bourgeois girls — you know, well-groomed, proper

manners, education, perfume, etc. We didn't want that to happen."

Djilas recalled, explaining the leadership's extraordinary involvement in Tito's personal life.

The incident reflects more than anything else the dogmatic and conspiratorial nature of Yugoslavia's Communist leadership.

As it turned out, Jovanka, whose marriage to Tito was announced in 1952, turned out to be an ideal wife for the marshal, extremely solicitous about his health and without independent political ambitions.

Yet the very fact that she was at Tito's side made Jovanka a power behind the throne. Given the fact that the old marshal's popularity and prestige among Yugoslavs exceeds by far that of his party, his

power has been absolute. With age, he has become more secretive, relying on a dwindling group of trusted aides — and especially on Jovanka. Various high-ranking officials, who were trying to interest the old president in one idea or another, frequently sought Jovanka's help. Her comments given privately to Tito could destroy a man's career. Perhaps the most notable illustration involves the peremptory dismissal in 1973 of one of the country's most powerful men, Colonel General Ivan Miskovic, the head of federal intelligence and security. Miskovic has told friends that the cause of his dismissal was a remark about Tito's health that he made in Jovanka's presence. The next day, Tito instructed one of his senior party aides to "tell that general not to come to work anymore."

EVIDENTLY her closeness to Tito in the twilight of his life has made Jovanka, perhaps inadvertently, one of Yugoslavia's key power brokers. That may well be the source of her current predicament. Reports from Belgrade indicate that Jovanka has been involved in influencing Tito on senior military appointments, in effect trying to determine who should be in charge of this crucial sector in the post-Tito era.

Tito, who reportedly had not been aware of her subtle manoeuvres until they were pointed out to him recently, has apparently disassociated himself from Jovanka and has ordered an official inquiry. It is highly unlikely that Jovanka would suffer any repercussions, however. Tito has demonstrated a high degree of loyalty to persons close to him, even after breaking off personal or professional relations.

More on bulb flowers

GARDENER'S CORNER / Walter Frankl

bulb to bulb. (In pots or balcony containers, the distance may be closer than about 5-10 cm. apart). Keep the bed weed free, cultivate and water lightly during rainless periods.

Snowdrop (*galanthus*). The ancient Greek name derives from *gala* (milk) and *nithos* (flower). The plant is native to Europe and Asia Minor. It prefers a low temperature and therefore succeeds in Israel in hilly regions only. Plant in groups of 8-10 bulbs, close together, with a distance of 10-15cm. from group to group. Very suitable for rockeries. Flowers well in half shade.

Scilla sibirica. This name is derived from the Greek word *skullo*, used by Hippocrates to mean "injuring." It refers to alleged poisonous properties of the bulb. Scilla produces bright blue flowers, like little stars, about 10 cm. high.

Once planted in the garden and left in the soil, it will multiply quickly and flower year after year.

Grape hyacinth (*muscari*). The Greek name derives from the word for musk as some of the species have the typical odour of musk. This plant grows wild in Israel, especially in the vicinity of Jerusalem and in the North. Its flowers are dark blue (sometimes also white), and it is a very useful rocky plant. It can also be grown successfully in shade under shrubs and trees.

Crocus (in Hebrew *carcom*). The name comes from the Greek word *crocos* for saffron (long used as a yellow dye and for flavouring in cooking). The grace and charm of the crocus make it a fitting plant for the garden, as well as for balcony boxes, hanging baskets or flower-

pots. It is the most popular of all the little spring bulb flowers. It grows wild, white and fragrant in the hills around Jerusalem. Dutch nurserymen succeeded in producing multi-coloured specimens (yellow, blue, purple, white and white with coloured stripes), which are available here. Plant in clumps of 10 or more, because single bulbs will often not display.

Allium (cultivated garlic, in Hebrew *shum tarbut*). The white flowering one, also called allium neapolitanum, grows in Israel. The little blooms are produced in spreading umbels and are very decorative in flower arrangements. They grow about 80-100cm. high. Other kinds offered here are allium moly (the plant Homer mentions in his "Odyssey") with yellow flowers, and allium roseum with bright pink blooms. You can also buy allium afghanicum, which grows one to one and a half metres high and flowers in the form of a big red ball (tennis ball size) in May till early June. Most of the alliums multiply rapidly and are a surprising contrast when planted among low growing evergreen shrubs.

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Labour councils, national trade unions, national and local workers' committees, branches of Na'amat, and other branches of the Histadrut that are in need of information, or are considering action in protest against the Government's economic policy are asked to contact the central Protest-Action Headquarters of the Histadrut Executive.

Please contact the Office of Gideon Ben-Yisrael, Coordinating Committee member and Headquarters Director, Tel. 261111, ext. 613 (or direct line 252959), 8 a.m.-6 p.m.

Protest-Action Headquarters
Histadrut Executive



Last minute changes

MUSIC REVIEWS

JERUSALEM SYMPHONY ORCHESTRA — Lukas Foss conducting; with Jamie Laredo, viola (Jerusalem Theatre, October 28). Bach: Brandenburg Concerto No. 1; Avni: Prayers; Schoenberg: "A Survivor from Warsaw" (with a male chorus, directed by Menahem Levanon; narrator: Gideon Shemer); Brahms: Violin Concerto, op. 77.

The Jerusalem Symphony Orchestra seems to be plagued by last minute changes in conductors. At the opening concert of the season, Markelich had to be replaced, but found in Edward Downes a good replacement. Alfredo Antonini fell ill just before this concert and Mr. Lukas Foss was flown in for the day to conduct. It is hardly possible for a conductor to make an impact on an orchestra with only two rehearsals of four works of no mean demands and not of his own choice. One must therefore be charitable towards Foss and praise his readiness to step into the breach. But surely the management could have found a local conductor for an emergency like this and not be forced into the expense of bringing a conductor from abroad. (When the IPO was confronted with a similar problem, it turned to Mendi Rodan for help.)

It is therefore unfair to pass judgement on the performance as such. Schoenberg's "Survivor from Warsaw" always makes me uncomfortable when having to listen to it in a public concert — it is a dramatic piece better suited to a Holocaust Remembrance programme. The narrator did his best, but was most of the time drowned out by the orchestra, as was the male voice chorus at the end. Schoenberg apparently had greater amplification for the narrator and a much bigger choir at his disposal. Otherwise, the orchestral parts for better balance.

Jamie Laredo, known to us previously as a member of the marvellous Marlboro chamber music ensemble, was now heard here for the first time as soloist, and in the Brahms Concerto at that. He seemed a little too anxious to do everything correctly — which he did. But with the resources at his command, he could have taken wing and let himself soar into higher spheres of artistic interpretation. He has a most beautiful tone of rich but controlled volume, a flawless technique and a sound musical approach. When he feels secure enough not to let control interfere with the emotional aspects of his performance, we shall be able to enjoy Mr. Laredo's solo appearances even more than we did on this evening.

YOHANAN BOHEM

CLASSIFIEDS

DEADLINES: Jerusalem: Weekdays: 10 a.m. of day prior to publication. For Friday's paper: 6 p.m. on Wednesday. For Sunday's paper: 6 p.m. on Thursday. Tel Aviv and Haifa: Weekdays and Friday: 12 noon two days prior to publication. For Sunday's paper: 12 noon Thursday.

Ads are accepted at all offices of The Jerusalem Post (for addresses see masthead on back page) and at all recognized advertising agencies.

Weekday rates including VAT: Minimum charge of IL2.84 for eight words; IL4.48 for each additional word. Friday and holiday eve rates including VAT: Minimum charge of IL4.48 for eight words; IL7.04 for each additional word.

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Changes in, and Reductions of Rebates on Agreement Fees

In line with the notice published in Yotkut Hapirumim No. 327 of September 30, 1977, changes will be introduced in the rebates given on agreement fees. From October 30, 1977, a number of rebates on agreement fees are cancelled, and changes have been introduced in the rebates which will continue to apply. All requests for the transfer of rights in real estate submitted to the Israel Lands Administration before the above date will benefit from the old scale of rebates.

Addresses of the Administration:

Jerusalem	0 Rehov Shamai	Tel. (02) 249571
Tel Aviv & Central Region	88 Derech Petah Tikva	Tel. (03) 333211
Haifa	13 Derech Ha'atzma'ut	Tel. (04) 660551
Southern Region	88 Rehov Ha'atzma'ut	Tel. (057) 32202
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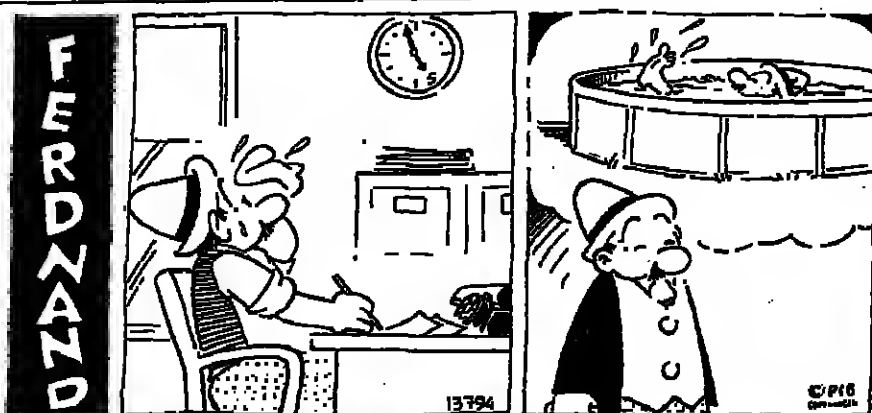
Last date for submitting bids: November 30, 1977 (12 noon). Details at our Beersheba offices, 55 Rehov Ha'atzma'ut, Beersheba, during normal working hours.

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"Lawyer, teacher, writer, from N.Y. area, handsome, mid-30's, never married, looking for serious relationship with intelligent, attractive Israeli woman in 20's, will exchange letters and photos. Write Box number B.G., The Jerusalem Post, 110 East 59 Street, New York, 10023.



ENTERTAINMENT

TELEVISION

EDUCATIONAL: 8.15 English 8.30 Science and Nature 2.5. 9.30 Special education. 9.40 Programme for kindergarten. 10.30 English 1. 11.10 English 1. 11.30 Math. 12.00 Biology 9.10. 12.20 Wonders and Miracles. 12.40 Electricity 8. 12.00 Biology 9.10. 13.40 Literature 9.12. 16.00 Programme for kindergarten. 16.30 Everyman's University.

CHILDREN'S PROGRAMMES: 17.30 The Time Tunnel: Chase Through Time. 18.15 Cartoons. 18.30 News and Weekly Magazine. 18.30 News and Weekly Magazine. 18.30 News and Weekly Magazine.

ARABIC-CLANAOE programmes: 18.30 News roundup. 18.30 Sports. 18.30 Projector. 18.30 Projector.

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ON THE AIR

First Programme: 7.07 Morning Melodies. 8.10 Isaac: "A le battaglia" (Noah Greenberg, Pro Musica); Handel: Concerto Grosso in A Minor, Op. 6, No. 4; Mozart: Piano Concerto in C Major, K. 595; Andre Tchaikovsky: Fritz Reiner: Schubert: Death and the Maiden (Gerald Souzay); Schubert: String Quartet in D Minor (Death and the Maiden); Ravel: Mirene "Oys".

Second Programme: 10.30 Lesson in spoken Arabic. 11.30 Atthualpa Jopanki, guitar presents Argentinean folk music. 12.05 Benjamin Luxon, baritone; Alexander: Tamir, piano; Beethoven: 7 Scottish Songs; Schubert: 4 Lieder from Swansong; Britten: Songs and Proverbs of William Blake.

Third Programme: 13.00 Roman: Flute Concerto to G Major; Wiklund: 4 Lyric Pieces; Lidholm: Song; Alfven: Swedish Rhapsody. 14.10 World of Science — on the research of the proteins (repeated). 14.35 Prof. Haim Adler talks about educating the underprivileged.

Fourth Programme: 15.55 Notes on a new book. 16.05 (Stereo): Haifa Symphony Orchestra. Dan Vogel conducting with Amram Rigal, piano — Works by Prokofiev, Ben-Haim, Brahms. 20.15 Spotlight on composer Milton Eisenhower.

Fifth Programme: 21.00 Everyman's University — Introduction to earth sciences with Prof. Emanuel Mazur. 22.30 The music of the Troubadours with Dr. Avner Halevi. 23.05 (Stereo): Haydn: Divertimento (Woodwind Quintet from Sweden); Leclair: Sonata No. 3 in D Major for Violin and Piano (Duo Weiss); Mozart: Piano Quintet, K. 492 (Stockholm Quintet with Alexander Tamir, piano); Walton: Violin Sonata (Duo Weiss).

Sixth Programme: 23.25 (Stereo): "23.25" — Outstanding works of the 20th century — Pierre Boulez: Improvisations on Marmelade. 00.25 (Stereo): Musical miniatures.

Second Programme: 18.05 Israeli songs. 19.10 Musical Adventures. 19.10 Sabbath songs. 19.10 Finger on the Pulse — weekly magazine on health and medicine. 19.10 Manny Per's talk and entertainment show: Interview with chef Uri Gutman, songs with Jimmy Lloyd Silver Street. 8.45: St. Orgill: Un Elephant Ca Trompe; Arman: Peyco Place; Habra: The Eagle has Landed. 4.45: 8.

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Fourth Programme: 18.05 Israeli songs. 19.10 Musical Adventures. 19.10 Sabbath songs. 19.10 Finger on the Pulse — weekly magazine on health and medicine. 19.10 Manny Per's talk and entertainment show: Interview with chef Uri Gutman, songs with Jimmy Lloyd Silver Street. 8.45: St. Orgill: Un Elephant Ca Trompe; Arman: Peyco Place; Habra: The Eagle has Landed. 4.45: 8.

Fifth Programme: 18.05 Israeli songs. 19.10 Musical Adventures. 19.10 Sabbath songs. 19.10 Finger on the Pulse — weekly magazine on health and medicine. 19.10 Manny Per's talk and entertainment show: Interview with chef Uri Gutman, songs with Jimmy Lloyd Silver Street. 8.45: St. Orgill: Un Elephant Ca Trompe; Arman: Peyco Place; Habra: The Eagle has Landed. 4.45: 8.

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Seventh Programme: 18.05 Israeli songs. 19.10 Musical Adventures. 19.10 Sabbath songs. 19.10 Finger on the Pulse — weekly magazine on health and medicine. 19.10 Manny Per's talk and entertainment show: Interview with chef Uri Gutman, songs with Jimmy Lloyd Silver Street. 8.45: St. Orgill: Un Elephant Ca Trompe; Arman: Peyco Place; Habra: The Eagle has Landed. 4.45: 8.

Eighth Programme: 18.05 Israeli songs. 19.10 Musical Adventures. 19.10 Sabbath songs. 19.10 Finger on the Pulse — weekly magazine on health and medicine. 19.10 Manny Per's talk and entertainment show: Interview with chef Uri Gutman, songs with Jimmy Lloyd Silver Street. 8.45: St. Orgill: Un Elephant Ca Trompe; Arman: Peyco Place; Habra: The Eagle has Landed. 4.45: 8.

Ninth Programme: 18.05 Israeli songs. 19.10 Musical Adventures. 19.10 Sabbath songs. 19.10 Finger on the Pulse — weekly magazine on health and medicine. 19.10 Manny Per's talk and entertainment show: Interview with chef Uri Gutman, songs with Jimmy Lloyd Silver Street. 8.45: St. Orgill: Un Elephant Ca Trompe; Arman: Peyco Place; Habra: The Eagle has Landed. 4.45: 8.

Tenth Programme: 18.05 Israeli songs. 19.10 Musical Adventures. 19.10 Sabbath songs. 19.10 Finger on the Pulse — weekly magazine on health and medicine. 19.10 Manny Per's talk and entertainment show: Interview with chef Uri Gutman, songs with Jimmy Lloyd Silver Street. 8.45: St. Orgill: Un Elephant Ca Trompe; Arman: Peyco Place; Habra: The Eagle has Landed. 4.45: 8.

Eleventh Programme: 18.05 Israeli songs. 19.10 Musical Adventures. 19.10 Sabbath songs. 19.10 Finger on the Pulse — weekly magazine on health and medicine. 19.10 Manny Per's talk and entertainment show: Interview with chef Uri Gutman, songs with Jimmy Lloyd Silver Street. 8.45: St. Orgill: Un Elephant Ca Trompe; Arman: Peyco Place; Habra: The Eagle has Landed. 4.45: 8.

Twelfth Programme: 18.05 Israeli songs. 19.10 Musical Adventures. 19.10 Sabbath songs. 19.10 Finger on the Pulse — weekly magazine on health and medicine. 19.10 Manny Per's talk and entertainment show: Interview with chef Uri Gutman, songs with Jimmy Lloyd Silver Street. 8.45: St. Orgill: Un Elephant Ca Trompe; Arman: Peyco Place; Habra: The Eagle has Landed. 4.45: 8.

Thirteenth Programme: 18.05 Israeli songs. 19.10 Musical Adventures. 19.10 Sabbath songs. 19.10 Finger on the Pulse — weekly magazine on health and medicine. 19.10 Manny Per's talk and entertainment show: Interview with chef Uri Gutman, songs with Jimmy Lloyd Silver Street. 8.45: St. Orgill: Un Elephant Ca Trompe; Arman: Peyco Place; Habra: The Eagle has Landed. 4.45: 8.

Fourteenth Programme: 18.05 Israeli songs. 19.10 Musical Adventures. 19.10 Sabbath songs. 19.10 Finger on the Pulse — weekly magazine on health and medicine. 19.10 Manny Per's talk and entertainment show: Interview with chef Uri Gutman, songs with Jimmy Lloyd Silver Street. 8.45: St. Orgill: Un Elephant Ca Trompe; Arman: Peyco Place; Habra: The Eagle has Landed. 4.45: 8.

Fifteenth Programme: 18.05 Israeli songs. 19.10 Musical Adventures. 19.10 Sabbath songs. 19.10 Finger on the Pulse — weekly magazine on health and medicine. 19.10 Manny Per's talk and entertainment show: Interview with chef Uri Gutman, songs with Jimmy Lloyd Silver Street. 8.45: St. Orgill: Un Elephant Ca Trompe; Arman: Peyco Place; Habra: The Eagle has Landed. 4.45: 8.

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Seventeenth Programme: 18.05 Israeli songs. 19.10 Musical Adventures. 19.10 Sabbath songs. 19.10 Finger on the Pulse — weekly magazine on health and medicine. 19.10 Manny Per's talk and entertainment show: Interview with chef Uri Gutman, songs with Jimmy Lloyd Silver Street. 8.45: St. Orgill: Un Elephant Ca Trompe; Arman: Peyco Place; Habra: The Eagle has Landed. 4.45: 8.

Eighteenth Programme: 18.05 Israeli songs. 19.10 Musical Adventures. 19.10 Sabbath songs. 19.10 Finger on the Pulse — weekly magazine on health and medicine. 19.10 Manny Per's talk and entertainment show: Interview with chef Uri Gutman, songs with Jimmy Lloyd Silver Street. 8.45: St. Orgill: Un Elephant Ca Trompe; Arman: Peyco Place; Habra: The Eagle has Landed. 4.45: 8.

Nineteenth Programme: 18.05 Israeli songs. 19.10 Musical Adventures. 19.10 Sabbath songs. 19.10 Finger on the Pulse — weekly magazine on health and medicine. 19.10 Manny Per's talk and entertainment show: Interview with chef Uri Gutman, songs with Jimmy Lloyd Silver Street. 8.45: St. Orgill: Un Elephant Ca Trompe; Arman: Peyco Place; Habra: The Eagle has Landed. 4.45: 8.

Twentieth Programme: 18.05 Israeli songs. 19.10 Musical Adventures. 19.10 Sabbath songs. 19.10 Finger on the Pulse — weekly magazine on health and medicine. 19.10 Manny Per's talk and entertainment show: Interview with chef Uri Gutman, songs with Jimmy Lloyd Silver Street. 8.45: St. Orgill: Un Elephant Ca Trompe; Arman: Peyco Place; Habra: The Eagle has Landed. 4.45: 8.

Twenty-first Programme: 18.05 Israeli songs. 19.10 Musical Adventures. 19.10 Sabbath songs. 19.10 Finger on the Pulse — weekly magazine on health and medicine. 19.10 Manny Per's talk and entertainment show: Interview with chef Uri Gutman, songs with Jimmy Lloyd Silver Street. 8.45: St. Orgill: Un Elephant Ca Trompe; Arman: Peyco Place; Habra: The Eagle has Landed. 4.45: 8.

Twenty-second Programme: 18.05 Israeli songs. 19.10 Musical Adventures. 19.10 Sabbath songs. 19.10 Finger on the Pulse — weekly magazine on health and medicine. 19.10 Manny Per's talk and entertainment show: Interview with chef Uri Gutman, songs with Jimmy Lloyd Silver Street. 8.45: St. Orgill: Un Elephant Ca Trompe; Arman: Peyco Place; Habra: The Eagle has Landed. 4.45: 8.

TRAVEL INFORMATION

* Express trains. For all intermediate stations check with Israel Railways timetable.

Every Monday to Thursday FROM JERUSALEM to Tel Aviv (South): 11.00. to Be'er Sheva & Dimona: 10.10.

FROM TEL AVIV (centre) to Haifa: 8.00, 7.00, 8.00, 9.00, 10.20, 12.00, 13.00, 10.00, 11.00, 12.00, 13.00, 14.00. to Nahariya: 8.00, 10.00, 11.00, 12.00, 13.00.

FROM TEL AVIV (South) to Jerusalem: 7.30. to Be'er Sheva & Dimona: 9.50, 17.52. to Jerusalem: 6.54, 12.37.

FROM RAFAHA (centre) to Jerusalem: 6.54, 12.37. to Tel Aviv: 5.54, 6.54, 7.54, 8.54, 9.54, 10.54, 11.54, 12.54, 13.54, 14.54, 15.54, 16.54, 17.52, 18.54.

FROM NAHARIYA to Haifa & Tel Aviv: 6.33, 7.33, 10.44, 14.35, 18.20. to Jerusalem: 5.33, 14.25.

FROM BEERSHEBA to Tel Aviv, Haifa & Jerusalem: 7.18, 15.45. FROM DIMONA to Tel Aviv, Haifa & Jerusalem: 6.48, 15.15.

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EDITORIAL OFFICES: 34 Rehov Herzl, Jerusalem, P.O. Box 25421.
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P.O. Box 51 (91000). Telephone: 529181. Telex: 25421.
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Will the burden be shared?

THERE IS an old debate among both economists and politicians as to the relative merits of stressing the division of the economic pie — or making the pie bigger, even at the cost of disregarding its equitable division. It is doubtful whether the issue can ever be settled, for the positions held are often dictated by ideological prejudices.

Mr. Ehrlich's new economic policy constitutes a clear-cut preference for dealing with the problems of economic growth, while putting aside the questions concerning the distribution of the benefits and the burdens which this policy will generate.

Contemplation of the new policy — once the initial shock has worn off — would seem to indicate that it is not entirely of one piece. A major part of it — the massive one-time devaluation of the pound — is a policy that was attempted by Labour governments in 1952, 1962 and most recently in 1974. The question of whether a bold one-time shock treatment is to be preferred to a more careful strategy is largely a matter of taste, political and economic judgement, and the nature of the economic pressures and circumstances of the given period.

There is much to be said both for and against each approach. We will simply have to wait and see whether Mr. Ehrlich's preference for the daring jump produces better results than Mr. Rabinowitz' step-by-step tactics of the past three years.

That, however, is only part of the dispute which is building up around the new policy. Mr. Ehrlich has also seen fit to attach an ideological identity to his policy package, both in acts of commission and of omission. The historic ending of nearly all controls on foreign currency transactions, and the failure to take any meaningful measures towards more effective enforcement of value added tax and income tax collections bear the stamp of a class-oriented policy. This could bode ill for the implementation of the entire policy.

The Prime Minister and the Finance Minister have rightly emphasized that the chief purpose of economic policy today is to trigger an increase in production, and especially production for export. The manner in which they propose to do it, however, is risky, and the results are certainly far from being guaranteed.

For example, the causal connection between decontrolling foreign currency and the flow of foreign investments which Mr. Ehrlich foresees is tenuous at best. On the other hand, the possibility of a large-scale outflow of dollars, legally purchased by affluent Israelis who nonetheless feel more confident having them in foreign banks rather than in local accounts, should not be underrated.

The most serious problem has to do with the public's perception of the essential equity of the new policy. There is every reason to believe that the policy will lead to the further enrichment of the upper one or two deciles of Israel's population, while maintaining the income levels of the lower one or two tenths. The middle six to eight tenths will be called upon to bear the brunt of its burdens.

One need not be a radical firebrand to suggest to the Government that these six to eight hundred thousand families may not respond to its calls for cooperation if they sense that these burdens are not being fairly shared. And certainly Mr. Ehrlich's apparent intention to suspend the law regarding moneys held abroad illegally until now, will not promote such a sense of the shared burden.

The Histadrut's historic insistence on maintaining a continued growth in real income levels and the living standards which they support, in total disregard of economic realities and of real levels of productivity, was responsible in the past for the failure of programmes based on major devaluations. Many Histadrut members have come to understand this. There is thus a reasonable prospect for popular cooperation in a harsh but necessary economic reform.

But such cooperation will simply not materialize if the impression is gained that the same minority that has enriched itself in the past ten years under a short-sighted Alignment economic leadership will be enabled, and even encouraged, to continue its feeding on the body economic unchecked by a no less obtuse Likud-DMC leadership.

Taking a second look at the Government's new economic policy, MEIR MERHAV suggests some political consequences, or perhaps intentions, of what has been described as a depoliticization of the country's exchange rate.

The invisible hand moves in

PROFESSOR Milton Friedman, who lives far away in a world of his own, may believe that what Mr. Ehrlich has just wrought is the replacement of a paternalistic, collectivist socialism by capitalist freedom. We should know that these are not the real alternatives.

The system that emerged in Israel's 28 years may indeed have been — and still be paternalistic and bureaucratic to the point of ossification, but it has never been anything but a capitalist system. In fact, Mr. Ehrlich might consider laying a wreath on the grave of Pinhas Sapir, the Labour leader who did more than anyone else to build Israel's capitalism and its entire nouveau riche class.

With all its inefficiencies, the system was both politically and economically remarkably free. In some respects it was in fact a free-for-all. Whether Mr. Ehrlich's reform will make it more efficient in the sense that really matters — i.e. in furthering the growth and welfare of the nation as a whole, rather than that of those whose survival "proves" they are the fittest — remains to be seen.

The new economic freedoms now held out to us as the glittering prize of the new liberal era are largely irrelevant for the majority, whose shrunken paychecks will soon disclose to them that they have become less free than before. Some of these freedoms are of a kind we are not yet affluent enough, as a nation, to be able to afford.

THE FIRST reactions to Mr. Ehrlich's bulldozing of an entire structure of economic policy and management have been naturally centred on the as yet novel technicalities, the more obvious risks and the immediate economic consequences.

For the professional economists, last Friday was an intellectual feast, even if some of them were concerned about the odds in the gamble. At long last, so they tended to think, there is a chance for a breakthrough into a rational economic system. After a one-time devaluation and its consequent depression of living standards, the misallocations of resources, the irrational, Kafkaesque interferences with the market mechanism, might finally wither away. At last, the "invisible hand of the market" would reign supreme.

On reflection, it will indeed be seen that this renaissance of the invisible hand is what Mr. Ehrlich's new freedom is ultimately all about, not only — perhaps not even primarily — from the economic viewpoint, but in political terms as well.

Initially, many people — this writer included — responded to the Ehrlich upheaval with an expression of concern about its great risks, especially in view of the external political situation. The combination

of an audacious economic policy with a foreign policy which equally calls for a great deal of audacity, seemed to cross the thin red line between a calculated risk and a reckless gamble.

Mr. Ehrlich's almost arrogant statement that his new measures would make Israel join the club of the affluent, comfortable, and secure Western nations did nothing to dispel the concern. The disparity between the objective condition of a country threatened by war and foreign deprivation and that still contends with a structurally deficient economy, and the introduction of "freedoms" which only a handful of the richest nations have permitted themselves, was too great to be accepted with equanimity.

Even given Mr. Ehrlich's ideological commitment to his own brand of economic liberalism, he still had a choice between two courses of action.

He could have made an effort to stabilize the economy first, to improve its foreign payments position by our own efforts (instead of by back-up loans from the International Monetary Fund) — and then, from a position of relative economic strength — to float the Israeli pound and even abolish currency control.

That would have had a cost — probably in the form of a temporary deterioration in our balance of payments position, because renewed growth would have cost foreign currency before it could have begun to pay off, and possibly also in the form of a further depression of living standards. It would also have had a price in terms of time, for such a policy of stabilization could only have been gradual.

INSTEAD, Mr. Ehrlich chose to cut the Gordian knot. He took the risk of relying on a short-term, artificial bolstering of our foreign reserves in an heroic effort to stabilize the economy at one blow. The massive one-time devaluation and its consequent depression of living standards was based upon the hope that the economy would have enough time to reap the expected benefits of growth.

By putting the whole burden of the stabilization process on the people, he announced, in effect, that he was not prepared to give up any part of the country's official foreign currency reserves for that purpose.

This is where the real tie-in between Ehrlich's economic policy and our external political position must be sought. But it was the amiable Bank of Israel Governor, Arnon Gafny, who inadvertently let the cat out of the bag at his Saturday night press conference.

For Gafny made it clear that the Bank of Israel and the Treasury

have no intention of using their official reserves to support the value of the Israeli pound against anything except accidental fluctuations of purposive speculation.

This means that the value of the pound, and therefore living standards and employment levels, will be allowed to slide down to wherever the invisible hand of the market will take them. This will no doubt be tempered by what the Government thinks may be going beyond the socially and politically feasible — but the margin of that has certainly been set much wider than before.

The expression used by Mr. Gafny to describe the meaning of this floating of the exchange rate is familiar. He said it had "depoliticized" the exchange rate. In the past, that used to be the highest accolade granted to that forerunner of the floating exchange rate, the creeping devaluation. Gafny also made it clear that the central bank, being no longer legally required to buy or sell foreign currency, would not interfere with normal market trends.

In other words, creeping devaluation will from now on be daily instead of monthly.

Thus the Government has in effect told the public: if our foreign policy runs the country into economic difficulties, then you, the people, will take the brunt "automatically," through the impersonal play of the forces of supply and demand. The official reserves will from now on serve against a rainy political day. Foreign policy you may discuss with me in political terms — its economic consequences will, up to a fairly far-flung point, be hidden from your daily view.

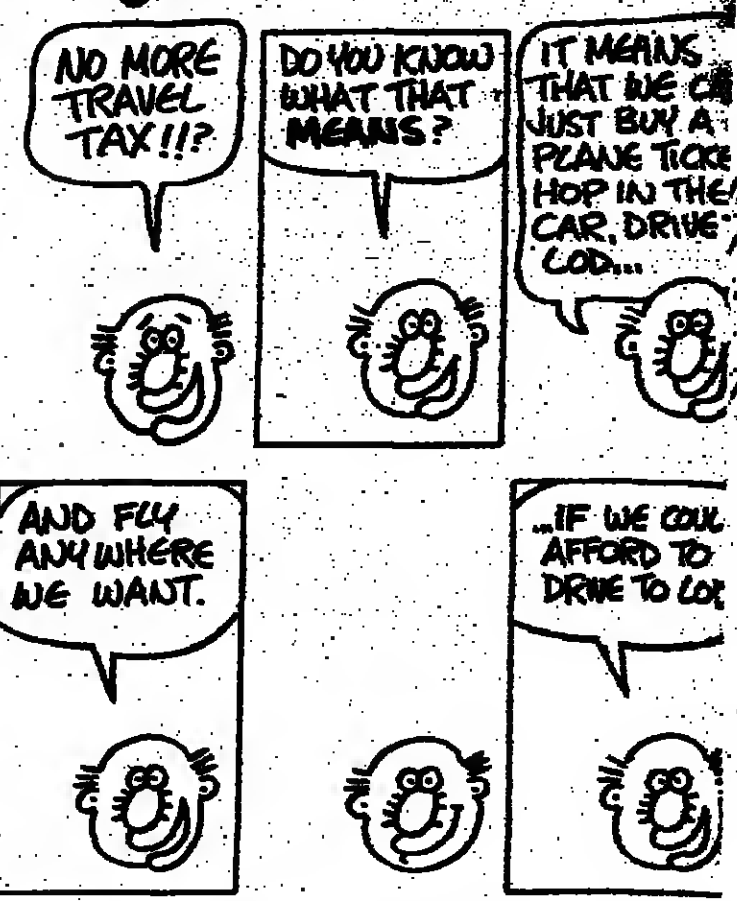
The "depoliticization" of the exchange rate is tantamount to a far-reaching depoliticization of national policy as a whole. It has drawn a veil over the causes of events and over their interrelations, which the man-in-the-street and possibly even many competent observers will not easily be able to tear away.

BUT THAT IS NOT the only tie-in between politics and economics that is now becoming discernible.

The press has reported that Mr. Ehrlich originally wanted to do away with the whole legal underpinning of currency control, and that it was only the Attorney-General Aharon Barak who persuaded him to retain some of it against an emergency.

The Finance Minister's liberal, non-interventionist philosophy greatly hampers him in building for the Likud a solid political-economic power base. It makes it very hard for him to build a solid countervailing power to the Histadrut. But he can still weaken the power of the labour organization, and he can create conditions in which large numbers of the

Dry Bones



propertyed people, together with many of their dependents, will be afraid of a return of Labour to power. Hence the attempt to make the currency liberalisation irreversible.

Mr. Ehrlich has demonstrated an enviable degree of trust in the efficacy of the capitalist system and in the character of our people. He believes that many of those who, according to his estimate, smuggled no less than \$3b. abroad will now repatriate their black money. He also believes that many will rush to invest in Israel, ignoring the opportunities offered by Liechtenstein, Luxembourg and Switzerland.

Most of all, he believes that if only the forbidden fruit of foreign currency is made freely available, Israelis with cash will hold on to Israeli pounds and not take advantage of the legal opportunity of creating a nest egg for themselves in Geneva.

Like many other people, but perhaps more than most, Israelis have always been great when it came to laying down life and limb for their country. As the \$3b. smuggled out indicates, however, they have been less than burning patriots when their lucre was at stake. Mr. Ehrlich's trust in our national character does him credit. But he may have substituted a naive belief in human nature and in an abstract concept of capitalism for the former irrational system of controls.

So long as an emergency car proclaimed and be made visible, the fundamental for play in our society will re-themselves. In the long run, if people are always stronger than governments.

to distribute it even half equitably.

On the contrary, not only have given huge windfall riches to who have, but some of his earlier measures have also ample the regressiveness of his po economy. The rather sanctimonious concern with "adequate" share the "really poor" which accords the policy and to which he is time to time admonished in pastures by the Prime Minister, nothing to mitigate its harsh consequences.

In the unlikely event that we be given sufficient freedom from external pressures, both political and economic, the transition to a rational capitalist regime has have had until now may dividends. The more unequal distribution of income and wealth it will create may be tolerable there is economic growth.

But the price for that war will be wholly borne by the w people for whom the freedom \$3,000 and put them in a foreign has very little meaning, since them have ever seen the IL needed to buy them. It is reason that Mr. Ehrlich will be exact that price from the people in a context of national emergency for the underlying realities society and economic structure not change on Friday afternoon.

So long as an emergency car proclaimed and be made visible, the fundamental for play in our society will re-themselves. In the long run, if people are always stronger than governments.

READERS' LETTERS

THE HOUSE AT 23 MAMILLA ROAD

To the Editor of The Jerusalem Post
Sir, — Though I am not Jewish (I am German), I am deeply attached to Jerusalem. It has always been my joy to walk its streets and to find an emotional response in the older buildings which create a specific atmosphere.

One of these buildings, at 23 Mamilla Road, is unique and beautiful. It forms an exciting connection between the Old City and new Jerusalem.

To my great dismay and sorrow, I heard during my recent visit to

Jerusalem that Mamilla Road is going to be rebuilt and that the house at No. 23 is condemned to die. I know about the clashing projects for the Mamilla area, but whatever the decision, I hope this unique house will be spared. The building should be restored to its original beauty, cleaned and repaired, and the ironwork restored and painted.

I hope this letter will evoke a widespread echo in defence of this precious piece of unique architecture.

LISELOTTE ESCHENBACH
Wiesbaden, Germany.

PALESTINIAN RIGHTS

To the Editor of The Jerusalem Post
Sir, — In a letter which appeared on October 21, Isaac Odeh repeats the call for the establishment of a Palestinian state in the West Bank and Gaza Strip, and adds that the Palestinians "are also human beings with human rights."

It is unfortunate that this was not recognized by the Palestinian Arabs themselves when they were offered their own state in 1947, or during the 19 years Jordan and Egypt ruled that territory. It seems that only Israel recognizes the humanity of the Palestinians under its jurisdiction by giving them greater economic and political benefits than they ever had. To turn the clock back now may well prove impossible.

Odeh's charge that Israel has "no material proof" of Biblical claims to the disputed territory conveniently ignores the ample archaeological and historical evidence of Jewish settlement, as recently as 1948, in all of the Land of Israel. Israel's rights in Judea, Samaria and the

MAX BAER

To the Editor of The Jerusalem Post
Sir, — I hope to be able to help to solve the mystery concerning Max Baer's appearance in an episode of "Love American Style."

Reader Rodney Franklin is right in stating that the actor couldn't have been former heavyweight champion because he died almost 20 years ago. Philip Gilson is equally right, in his answer, stating that the cast read Max Baer and the actor looked like him: he is his son.

Young Max Baer followed in his father's footsteps, failing in the boxing ring, but succeeding in films, and unlike his father, Max Baer Jr. became a respected featured actor.

ALEXANDER RAMATI
Ramat Gan.

Gaza Strip are founded not only on the Bible and on historical-archaeological facts, but also on the Jewish blood shed on that soil by foreign invaders and alien residents throughout the ages.

BeerSheva. MILTON J. KRAMER



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FROM THE EDITORIALS

MA'ARETZ (Independent) sees "boldness of conception and capacity for action" in the first stage of implementation as marking the economic policy outlined on Friday by Finance Minister Simha Ehrlich. Furthermore, the secrecy maintained despite the involvement of dozens of civil servants in preparing the programme, "says much about the finance minister's authority and the loyalty of his aides. These are encouraging facts." Noting that the new policy will not be easy to adapt to, the paper points out that "from this point of view importance attaches to the parliamentary majority to the Government now has in the Knesset. In retrospect, the co-opting of the DMC thus has a political significance which was not apparent last week."

MA'ARIV (Independent) notes that the content — as opposed to the timing — of the new economic policy "cannot be said to have come as a surprise, because it dovetails with the Likud's election platform and with that of the DMC as well." What has in fact happened is that "the government has relinquished a large part of its control over economic matters and transferred the decision to the public... It has lifted its guardianship from the economy, recognized its maturity and given it the possibility of moving by its own steam in the direction it desires. But at the same time it has also charged it with full responsibility for success or failure." Hence, "the test is not that of Ehrlich and his aides, but of the entire people of Israel." The paper takes — Histadrut Secretary-General Meshel to task for declaring war on the new economic policy without waiting to see whom it would hurt and how."

AL HAMISHMAR (Mapam) also thinks the new economic policy will bring about accelerated inflation, decrease the relative profitability of exports vis-a-vis local manufacture, "place in constant jeopardy all the country's foreign currency reserves," and cause unemployment.

HATZOFEH (National Religious Party) also takes note of the "boldness" of the new policy and feels that the abolition of foreign-currency controls "bodes out, a prospect for what is most needed: expanded production, high employment and increased exports." As abolition of currency controls will however "enrich the well-to-do and the wealthy, while price hikes at profiteering rates are likely to deal a hard blow to salaried workers, a reduction in income tax for wage-earners should be considered until the next cost-of-living increment."

DAVAR (Histadrut) however, takes a different view: "This new economic policy declared by the Government on Friday is certainly new in its basic conception: a liberal conception rooted in the 18th century." While welcoming certain of the new policy's specific reforms — such as the unification of the different rates of the pound — the paper expresses the wish "that these could have been carried out without throwing out the baby with the bathwater. The government's far-reaching steps should have been implemented after, not before, economic amelioration. For these steps do not make possible such amelioration. On the contrary: the accelerated inflation, the perpetual economic uncertainty we can now look forward to, the encouragement given to business deals as opposed to productive manufacture, the grave question marks hanging over most of the new policy's key points — all these indicate it to be the fruit of a gamble and not of calculation."

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